

## **RURAL BUSINESS OPPORTUNITY GRANT (RBOG)**

**Quick Reference Fact Sheet** 

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This is a grant only program of Rural Development used to promote sustainable economic development in rural communities with exceptional needs.

# **Eligibility**

These grants can be made to:

- Public bodies,
- Nonprofit corporations,
- Indian tribes
- Cooperatives with members that are primarily rural residents.

The applicant must have sufficient expertise in the activities they propose to carry out with the grant funds and financial strength to ensure they can accomplish the objectives of the proposed grant.

Any delinquent debt to the Federal Government shall cause the applicant to be ineligible to receive any RBOG funds until the debt has been paid.

The applicant must be able to show that the funding will result in economic development of a rural area. The application must include a basis for determining the success or failure of the project and assessing its impact.

## **Population Limit**

Rural areas include all territory of the state that is not within the outer boundary of any city having a population of 50,000 or more.

## **Grant Limits**

The statutory limit is \$1.5 million but the size of grants approved is limited by the amount of program funds available.

# **Eligible Purpose**

Grant funds may be used to pay costs of providing economic planning for rural communities, technical assistance for rural businesses or training for rural entrepreneurs or economic development officials. Grant funds may be used for, but are not limited to, the following purposes:

- Identify and analyze business opportunities that will use local rural materials or human resources. This includes opportunities in export markets, as well as feasibility and business plan studies.
- 2. Identify, train, and provide technical assistance to existing or prospective rural entrepreneurs and managers.
- Establish business support centers and otherwise assist in the creation of new rural businesses.
- Conduct local community or multicounty economic development planning.
- Establish centers for training, technology, and trade that will provide training to rural businesses in the utilization of interactive communications technologies to develop international trade

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opportunities and markets.

- 6. Conduct leadership development training of existing or prospective rural entrepreneurs and managers.
- 7. Pay reasonable fees and charges for professional services necessary to conduct the technical assistance, training, or planning functions.

# **Ineligible Purpose**

- Duplicate current services or replace or substitute support previously provided. If the current service is inadequate, however, grant funds may be used to expand the level of effort or services beyond what is currently being provided.
- 2. Pay costs of preparing the application package for funding under this program.
- 3. Pay costs of the project incurred prior to the effective date of the grant made under this subpart.
- 4. Fund political activities.
- 5. Pay for assistance to any private business enterprise which does not have at least 51 percent ownership by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence.
- 6. Pay any judgment or debt owed to the United States.
- 7. Pay costs of real estate acquisition or development or building construction.

## Selection Process

USDA Rural Development is an equal opportunity Provider, Employer and Lender.

To file a complaint of discrimination write USDA, Director, Office of Civil Rights,

1400 Independence Avenue, S.W., Washington, DC 20250-9410

or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)

Applications will be scored and ranked for

established priorities relating to the sustainability and quality of the economic activity expected to result from the project; the extent to which the project is critical to a larger overall project; economic conditions in the service area, such as recent loss of a major employer, long-term job deterioration, poverty or population decline; and the project's usefulness as a new best practice.

#### **Application**

Applications should be made at the Rural Development Area Office. The Area Office staff will be glad to discuss services available from the Rural Development and explain how to prepare a written application.

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On the web at www.rurdev.usda.gov/fl